



Employment Practices Liability Loss Prevention Program

From Chubb



It's Chubb. Or it's Chance.

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Expanding employment practices legislation and an increasingly litigious society mean that lawsuits over employment matters pose a heightened danger to employers. Employers have a great and growing need for employment practices liability insurance (EPLI) and loss prevention techniques.

It is nearly impossible to completely eliminate the threat of an employment practices liability (EPL) lawsuit, yet employers can prepare for a lawsuit by positioning themselves to put forth a strong defense if a lawsuit does hit. This idea is at the very foundation of Chubb's **Employment Practices Liability Loss Prevention Program**. We believe we have an obligation to help reduce the likelihood of EPL complaints occurring against customers and to help them effectively defend against EPL charges should they arise. Our experience shows that:

- The best way to develop a strong defense is to proactively apply loss prevention strategies.
- With proper intervention, the incidence and severity of claims can be reduced because suspected claims are handled early.
- Even “insured” claims can cost employers money before their insurance deductible/retention is exhausted. Early intervention in potential claims helps to minimize these costs.

Most employers, although highly skilled in their line of business, may not be skilled in handling EPL complaints. On the other hand, Chubb and its partners have considerable expertise in the EPL area. When a potential problem presents itself, our customers find it comforting that we are there to offer immediate assistance.

The breadth of our Employment Practices Liability Loss Prevention Program is unmatched in the insurance industry. We offer access to state-of-the-art policies and practices, training vehicles, analytical tools, and EPL experts. The program is specifically designed to assist our customers in reducing their employment practices liability and, when an EPL complaint occurs, in providing a sound defense and reducing the severity of any resulting financial losses. We are committed to offering a comprehensive selection of practical loss prevention tools for a variety of EPL exposures, including harassment, discrimination, wrongful termination, and retaliation.

LOSS PREVENTION TOOLS

Chubb EPL Loss Prevention Web Site

The starting point: <http://csi.chubb.com/eplossprevention>

Chubb's Employment Practices Liability Loss Prevention Program Web site wraps our whole program together. Included on the site are:

- An overview of the Employment Practices Liability Loss Prevention Program.
- Link to Chubb's EPL resource site: ChubbWorksSM.
- Provider directory of preapproved employment services vendors (law firms, human resources consulting firms, and labor economist statistical firms) available for use under Chubb's Loss Prevention Consultant Services.
- On-line version of *Employment Practices Loss Prevention Guidelines* manuals.
- On-line version and article archives of *CheckPoint*, Chubb's EPL newsletter.
- Chubb product descriptions.

ChubbWorksSM Web Site

A wide range of Web-based EPL resources.

ChubbWorks (www.chubbworks.com) is a critical component of Chubb's Employment Practices Liability Loss Prevention Program. This *free* Web site, created specifically for Chubb EPLI customers, is an on-line resource for companies seeking assistance with employment issues. ChubbWorks offers Chubb customers and agents convenient on-line access to a wide range of state-of-the-art EPL loss prevention tools.

ChubbWorks offers:

- Model employment policies, procedures, and forms, which can be reviewed, downloaded, or printed for immediate use, covering the major EPL risks faced by employers.

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- “My Workplace,” a section for employers to store important workplace information, such as an on-line handbook, “suggestion box” for site improvements, a notices board, and a directory of users.
 - Employment practices self-audit checklists for human resource professionals, executive management, and supervisors.
 - On-line training for managers and supervisors on sexual harassment, discrimination, and wrongful termination, as well as ongoing refresher training via on-line bulletins.
 - An on-line library offering links to government informational resources, as well as access to the following publications:
 - **Case Points**—A journal on case law that affects the workplace.
 - **The Loss Prevention Journal for Human Resources.**
 - **The Loss Prevention Journal for Managers and Supervisors.**
 - **Work Smarter, Live Better**—A periodic journal for all employees on wellness, health, safety, time management, and self-improvement.
 - **Leadership²**—A journal for managers promoting character-driven leadership and the value of setting a positive personal example.
 - **News to Use**—A journal presenting news events that affect the workplace.
 - Links to other valuable human resource and employment Web sites.

The Chubb Group of Insurance Companies protects the confidentiality of all ChubbWorks users.

Loss Prevention Consultant Services
A wise investment in loss prevention.

Chubb has developed a network of more than 120 top law firms, human resources consulting firms, and labor economist statistical firms that offer specialized services designed to help companies create customized solutions to their employment issues.

Not only are these preapproved firms available to our customers at preferred rates, but we reimburse customers for a portion of the cost of preventive services that directly relate to the coverage offered under our EPLI policies.

Chubb chose its network of quality vendors with the goal of assuring customer satisfaction. The wide selection of vendors assures that customers will be able to find someone that meets their needs, even when their needs change. The cost-sharing system ensures attractive rates, as well as customer commitment to take action. Customers make their own vendor selections from the network based on their immediate needs and preferences.

We may even allow a customer to use a vendor that is not on our list, as long as we approve that vendor in advance. Our most important considerations in approving any vendor are quality of the services offered and expertise of the service providers.*

** Please note that services rendered by one's own organization are not eligible for reimbursement.*

Toll-Free Hot Line ***Advice is just a phone call away.***

Chubb offers a toll-free hot line that puts customers in direct contact with the nationally recognized employment law firm Jackson, Lewis, Schnitzler & Krupman. The firm's 370 attorneys in its 20 offices give Jackson Lewis a unique, national viewpoint and a sensitivity to the subtleties of regional business environments.

The hot line is designed to help customers that do not necessarily have the internal resources or expertise to handle complicated EPL matters. We offer customers an unlimited number of calls to the hot line at no charge.

Staffed by EPL experts, the hot line offers customers immediate answers to most EPL questions, enabling them to take action—and understand the legal ramifications of that action—the moment a precarious situation arises. The service helps customers control their out-of-pocket EPL claim costs. Jackson Lewis protects the confidentiality of all calls.

Employment Practices Loss Prevention Guidelines Manual ***An in-depth resource of EPL information.***

Chubb's customers receive a copy of the *Employment Practices Loss Prevention Guidelines* manual,* an overview of key employment issues written exclusively for Chubb. Created by Seyfarth Shaw, a premier

employment law firm with 500 attorneys nationwide, the manual is informational and educational, providing managers with relevant and updated EPL information at their fingertips.

The manual, provided at no charge, explains employment law in layperson's terms and offers proactive ideas for avoiding EPL lawsuits.

Topics covered:

- Federal and state employment law statutes.
- Common law causes of action.
- Preventative practices.

* *Employment Practices Liability Loss Prevention Guidelines for Not-for-Profit Organizations* is also available.

CheckPoint Newsletter
Expert commentary on EPL issues.

CheckPoint is Chubb's periodic newsletter written by experts in EPL matters. It offers articles on employment-related issues from the customer's perspective. Past articles have covered dating in the workplace, the Family Medical Leave Act, protected employment classes, retaliation, arbitration agreements, employer-employee relationships, sexual harassment, termination procedures, the dangers associated with employee recommendations, and more.

Written in easy-to-understand terms, *CheckPoint* periodically presents expert EPL commentary and advice. Archives of past articles are available on Chubb's Web site.

THE CHUBB ADVANTAGE

Chubb has earned its leadership position in underwriting EPLI by standing apart from other insurers in several key areas:

Financial stability—Our financial stability and ability to pay claims rate among the best in the insurance industry, as attested by Standard and Poor’s and A.M. Best Company, two of the leading insurance rating agencies. In fact, three members of the Chubb Group of Insurance Companies were recognized in the January 2004 issue of *Best’s Review* as being among only 15 property/casualty insurers, out of more than 3,300, that have maintained an A.M Best Company rating of A+ or higher for 50 consecutive years.

Reputation for service—In a 2004 Goldman Sachs survey, agents and brokers rated Chubb #1 out of 40 insurers for “quality of service.” Agents, brokers, and prospective customers often seek out our services because our reputation in the market is well known.

Claims philosophy of fairness—Chubb is committed to a high level of professionalism, open dialogue, and the amicable resolution of disputes whenever possible. Our reputation for expert, fair claims handling is renowned in the industry.

Loss control expertise—In the belief that an ounce of prevention is worth a pound of cure, Chubb is committed to providing our EPLI customers with the best available tools and services they need to help prevent losses and to develop a strong defense in the event that an EPL claim occurs. Our Employment Practices Liability Loss Prevention Program is unmatched in the insurance industry.

IMPORTANT STEPS

Every day, employers see how complex and potentially explosive EPL matters can be. A glance at the day's news frequently turns up stories about companies that followed improper employment procedures—perhaps without a second thought—and wound up paying huge settlements from unfavorable case developments or verdicts.

EPL lawsuits are not inevitable, but they do constitute the most common type of liability lawsuit today, and once a claim gets rolling it is difficult to stop and can be financially devastating. The best thing companies can do is encourage sensitivity and informed decision-making through education of their directors, officers, and employees, particularly those in supervisory positions. Not only might this enhance the workplace, but it may help prevent potential employment disputes from ever occurring, as well as help employers defend against actual EPL lawsuits. Accessing the expertise embodied in Chubb's Employment Practices Liability Loss Prevention Program is an important step toward this goal.

For more information on how Chubb's **Employment Practices Liability Loss Prevention Program** can help prevent potential employment disputes, as well as help employers defend against actual EPL lawsuits, contact your trusted agent or broker today. Additional information is also available on the Web at www.chubb.com.



Chubb Group of Insurance Companies

Warren, NJ 07059

www.chubb.com

For promotional purposes, Chubb refers to the member insurers of the Chubb Group of Insurance Companies underwriting coverage: Chubb Insurance Company of Europe, S.A.; Chubb Insurance Company of Australia, Limited; Chubb Indemnity Insurance Company; Chubb Insurance Company of Canada; Chubb Argentina de Seguros, S.A.; Chubb do Brasil Companhia de Seguros; Chubb de Chile Compañía de Seguros Generales, A.S.; Chubb de Colombia Compañía de Seguros, S.A.; Chubb de Mexico Compañía Afianzadora, S.A. de C.V.; Chubb National Insurance Company; Federal Insurance Company; Great Northern Insurance Company; Northwestern Pacific Indemnity Company; Pacific Indemnity Company; Vigilant Insurance Company; Executive Risk Indemnity Inc.; Executive Risk Specialty Insurance Company; and Quadrant Indemnity Company. Not all insurers do business in all jurisdictions.

This literature is descriptive only. Actual coverage is subject to the language of the policies as issued.

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